

## **EXHIBIT 1**

Message0416	
Subject:	RE: Report needed to correct GT 1996 Delinquencies
From:	Diane Messick
Date:	1/4/2001 10:39:07 AM
To:	Rob Schrof

EXHIBIT (I)  
Sco 1/a 1/41  
9/11/06

Message Body

-----Original Message-----

From: Rob Schrof  
Sent: Thursday, January 04, 2001 10:33 AM  
To: Diane Messick  
Subject: RE: Report needed to correct GT 1996 Delinquencies  
Importance: High

Diane:

I wanted your input on how to proceed. I had Frank make a second round of Forbearance on Dec 28th which was expected to roll back the Delinquencies from Cycle 2 to Cycle 1. But what actually happened was the payments got posted to the LiqResInt1 bucket thus leaving the LiqResPrin2 bucket with a balance resulting in those loans remaining with a 2 Cycle classification in Delinquency aging thus throwing our Rolling average to 18% well over the 7.5% Max. I understand what you are stating below, however, what are your feelings on addressing the current situation. My intentions were to have the forbearance payments posted against the LiqRes Prin2 bucket thus moving these loans out of 2 Cycle back to Cycle 1. I feel better doing it this way then the way it has been done in the past months since payments were actually made this month. Let me know if you have any idea's on how we should proceed. The report is due to be mailed tomorrow.

Regards,  
Rob

-----Original Message-----

From: Diane Messick  
Sent: Thursday, January 04, 2001 7:39 AM  
To: Randall Noga; David Aksim; Paul Breger  
Cc: Rob Schrof; Gary Hawthorne; Frank Martinez  
Subject: RE: Report needed to correct GT 1996 Delinquencies

As has been discussed many times in the past, In order to prevent this from happening, Frank needs to be supplied with a column indicating the minimum payment needed to prevent default. This means that someone from MIS needs to work with Linda Deng to capture the correct fields. We CANNOT change the way the system applies the payments, as it does so per the contract binding the deal. MIS needs to report the necessary info to FM before the TC12s are applied.

-----Original Message-----

From: David Aksim  
Sent: Wednesday, January 03, 2001 11:54 AM

To: Rob Schrof  
Cc: Diane Messick; Stephanie Scola; Randall Noga; Paul Breger  
Subject: RE: Report needed to correct GT 1996 Delinquencies

Rob,

Attached please find an Excel spreadsheet which contains the requested information on the results of the second forbearance run on GT 96. Please note that if the amount paid to cycle 1 interest is applied to the remainder of cycle 2 prin, all of these loans which remain in 2 cycle will get bumped to 1 cycle.

Sincerely,

--Dave

<< File: ToRob20010103GT96ForbRun2.xls >>

-----Original Message-----

From: Rob Schrof  
Sent: Wednesday, January 03, 2001 11:16 AM  
To: Randall Noga; Paul Breger; David Aksim  
Cc: Gary Hawthorne; Diane Messick; Stephanie Scola  
Subject: Report needed to correct GT 1996 Delinquencies

Randy, Paul and Dave:

The following scenario's were presented to Gary to correct the issue which arose from the manner in which forbearance payments were posted to GT 1996. It appears that payments are applied to interest buckets Liq ResInt 2 and 1, then to principal buckets LigResPrin 2 and 1. In this case, delinquent interest was applied to cycle 1 bucket while delinquent principal remained unpaid in cycle 2 thus leaving those loans in the Cycle 2 Delinquency schedule.

Our options as we discussed them were:

- 1) Apply additional forbearance funding. Randy pointed out that this would effect statements already printed.
- 2) Revise the manner in which the investor system processes delinquencies so that cycle 1 interest was applied to cycle 2 principal first. Since the servicer report is due Friday, time may not allow system changes.
- 3) Let the default occur. This was not an option seriously considered with the ongoing business being done with this particular investor.
- 4) It has been decided that we could collect the information pertaining to the amount of interest applied to the cycle 1 bucket and determine how much can or should be applied - manually - to cycle 2 principal. This entails producing a report for interest applied to cycle 1 as well as remaining principal in cycle 2 buckets. Any changes to the processing on the investor system will be determined later.

In conclusion, what is needed is a type of exception report which identifies by loan detail how the 2nd round of Forbearance payments were applied as is described in option #4 above.

Please let me know if you have any questions concerning this request.

Regards,  
Rob

#### Outlook Header Information

Conversation Topic: Report needed to correct GT 1996 Delinquencies

Subject: RE: Report needed to correct GT 1996 Delinquencies

From: Diane Messick

Sender Name: Diane Messick

To: Rob Schrof

Delivery Time: 1/4/2001 10:39:07 AM

Creation Time: 1/4/2001 10:39:05 AM

Modification Time: 1/4/2001 10:39:07 AM

Submit Time: 1/4/2001 10:39:07 AM

Importance: 1

Priority: 0

Sensitivity: 0

Flags: 1

Size: 9209